



COMMONWEALTH OF PENNSYLVANIA
INSURANCE DEPARTMENT

P. O. BOX 6142
ERIE, PA 16512
TELEPHONE: (814) 871-4468

December 21, 1993

Metropolitan Life Insurance Company
Attn: Greg Doby
51 Madison Ave
New York, NY 10010

RE: File No. 01582
Complainant: [REDACTED]
Policy No: see attached
Claim:

Gentlemen:

Enclosed is a copy of a complaint we have received from the above-captioned complainant(s).

Would you kindly review this matter and advise this Department of your findings within ten (10) working days.

Your cooperation in this matter will be appreciated.

Sincerely yours,


William F. Christ
Erie Regional Manager

Enclosure
WFC/fcb

C4

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REDACTED CONFIDENTIAL POL INFO



COMMONWEALTH OF PENNSYLVANIA
INSURANCE DEPARTMENT

INSURANCE COMPLAINT FORM
(Please Print or Type)

RECEIVED

DEC 21 1993

INSURANCE CONSUMER SERVICES
ERIC

In response to your request for assistance, we are sending this Insurance Complaint Form. In order that a review may be conducted, please complete this form and return it to the nearest regional office.

NAME: [REDACTED]

ADDRESS: [REDACTED]

INSURED NAME: _____
(if other than above)

DAYTIME TELEPHONE #

HOME: [REDACTED]
(area code)

WORK: [REDACTED]
(area code)

1. Type of Insurance (Please Check One) AUTO ☐ HOMEOWNERS ☐ COMMERCIAL ☐
LIFE ☒ HEALTH ☐ OTHER ☐ _____
(specify)
2. (A) If your problem involves an insurance company, give the full name of the company:
Metropolitan Life
- (B) With whom at the company have you dealt? APRIL WATT Neither one
Name: Deane Friend Phone #: Work there
Now.
3. If your problem involves an agent or broker, give his/her full name, address and phone #:

4. Policy #: _____ Claim #: _____
5. Date and location of accident or loss: _____
6. Have you previously reported this problem to our office or any other agency?
Yes ☐ No ☒ If yes, to whom? _____

PLEASE CHECK THE TYPE OF PROBLEM THAT APPLIES TO YOUR COMPLAINT.

- ☐ Cancellation/Nonrenewal
- ☐ Claims Handling
- ☐ Billing/Premium Dispute
- ☒ Sales Misrepresentation
- ☐ Other (specify) _____

OFFICE USE ONLY

CSR: WC

FILE #: _____

PS-4 (Rev.06/92)

-continued on reverse side-

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Briefly in your own words please describe your problem and the assistance you are seeking from the Department. If more space is needed, please attach additional sheets. Attach copies of policies, correspondence and all supporting documentation.

Letter of explanation ^{04/21/95} enclosed.

PLEASE SIGN AND DATE THE STATEMENT BELOW.

To the best of my knowledge, the information contained herein is correct. I am attaching copies of my policy, papers and other correspondence relative to this problem. I understand that a copy of this form and attachments may be forwarded to the insurance company involved.

SIGNATURE

DATE

12/19/93

HARRISBURG REGIONAL OFFICE
Room 1321 Strawberry Square
Harrisburg State Office Bldg. #1
Harrisburg, PA 17120
(717) 787-2317

PITTSBURGH REGIONAL OFFICE
Room 304 State Office Bldg.
100 Liberty Avenue
Pittsburgh, PA 15222
(412) 565-5020

PHILADELPHIA REGIONAL OFFICE
Room 1701 State Office Bldg.
1400 Spring Garden Street
Philadelphia, PA 19130
(215) 560-2630

ERIE REGIONAL OFFICE
Room 513 Baldwin Bldg.
Post Office Box 6142
Erie, PA 16512
(814) 871-4466

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Dec. 17, 1993

940218 19566



Dear Sir:

We have had a policy on [REDACTED] policy # 66 [REDACTED] A since approximately age 18. In 1986 we were approached by Met Agent April Watt to take the cash build up of this policy and purchase a \$50,000 Universal Life policy. Approximately \$6400 was deposited in the new policy # 86 [REDACTED] UL and was advised to put about \$400-\$500 per year in the policy.

After this, we started receiving loan statements on our original policy. In the beginning we were told we didn't need to worry about this. However, after several years, upon questioning, we were advised to pay the loan interest every year. After several years of paying loan interest and not getting any further ahead, we were told that it would be a good idea to

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940218 19567

start repaying the loan.

Several days later we were approached once again by April Watt. She was trying to persuade us to purchase some sort of pension policy. She advised us to stop contributing to our employer's pension program and sign up with her company. We said that we would not be able to afford this new pension program in addition to the universal life premium. At this time she told us we could stop contributing to the universal life policy. This didn't make any sense to us since in the beginning she wanted us to pay \$80 monthly toward the Universal Life policy - then she said all we needed was \$400 - \$500 per year; and now she said we didn't need to pay anything if we switched to the pension program. We did nothing at this time.

Shortly afterward we were advised by another agent during a phone conversation that universal life policies

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940218 19568

Can eventually expire if enough interest is not earned. We called the Metropolitan office to make sure this wasn't true.

Our agent at this time, Gene Friedt, was sent to go over our insurance. He told us that the policy should be changed to a whole life contract. The money from the Universal Life policy was to have been transferred to the whole life and we were to pay a minimum of \$600 additional per year. This policy # 92 [REDACTED] had been in force since 1992. In Nov. of 1993 we received a bill for \$1889.00. When we called the Customer Service number, we were told that this total premium was due. But when we called the Met. Life local office, the agent assured us that \$600 would keep the policy in force forever.

However \$5292 was transferred from the UL policy and we paid an additional \$650. Yet our Statement of 11-23-93 shows the cash value of the policy to

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REDACTED CONFIDENTIAL POL INFO

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940218 19569

be \$3939.99. The question how this policy can support itself forever with the cash value decreasing as much as it is.

To top things off, we recently received a loan statement from the Universal Life policy. The original amount deposited in the UL was \$6400 in addition to some premium payments that we made. Once again, rather than money being directly transferred to the new policy a loan was made and it appears that we once again lost money as the loan amount on the Universal Life was \$5292. Loan interest for the year was \$309.69. The balance of the cash in the Universal Life appeared to be \$173.03 in Sept of 1993 and we received a statement on our new policy stating \$173.03 was deposited in the new policy. So it appears to us that on top of losing money in the Universal Life (cash went from \$6400 to \$5292) we also lost \$309.69

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940218 19570

from loan interest accumulation
from Sept 1992 to Sept 1993.

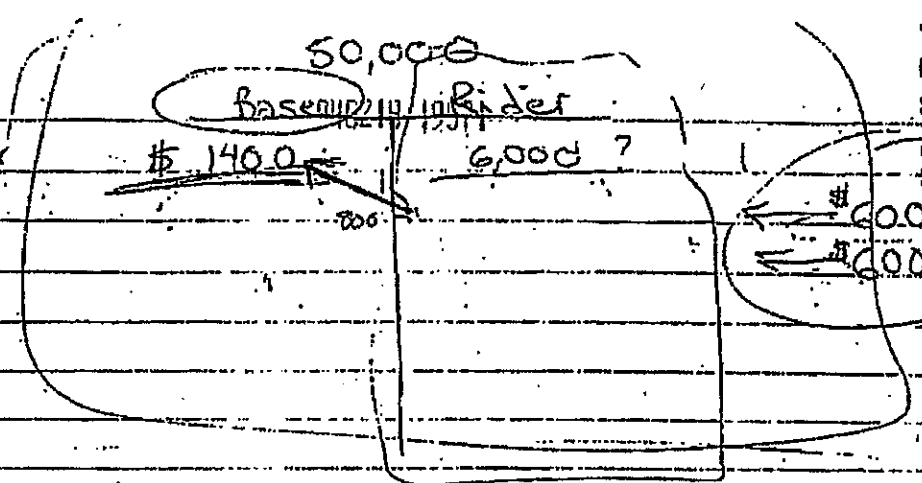
It would like to have all of
our money back from the beginning
of all of these transactions as we
felt all of our sales were mis-
represented. We were never told the
original transaction was a loan.

Sincerely,

P.S. We have since cancelled our
latest policy #92 [REDACTED] A and
received the balance of the cash value.

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Sales agents explanation of
how the whole life policy would work

When I called to have our agent
come in November 1953 to explain
our policy & how it could work. This
was his illustration.

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